



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
FILLMORE FIELD OFFICE
35 East 500 North
Fillmore, UT 84631



In Reply Refer to:
3800
(U-010)
UTU-070687

May 15, 2002

CERTIFIED MAIL #7099 3220 0002 6774 4873
RETURN RECEIPT REQUESTED

G DUANE CRUTCHFIELD
PLANT MANAGER
ASH GROVE CEMENT INC
PO BOX 51
NEPHI UT 84648

Dear Mr. Crutchfield:

The Utah Division of Oil, Gas, and Mining sent us a copy of your amended Plan of Operations (Plan), which we received on May 12, 2003. We have reviewed it to determine if it meets the requirements of § 3809.401. Whereas overall it is a well prepared Plan, we have identified two notable deficiencies:

1. § 3809.401(b)(1) requires Ash Grove's taxpayer identification number. To protect your privacy, we keep this type of information in a separate, secure location, rather than in the case file.
2. § 3809.401(b)(2)(vii) requires a general schedule of operations from start to closure. Your Plan indicates that the mine life could extend up to 50 years, but more detail such as five-year phases, especially over the next 20 years, would be helpful in determining environmental impacts. The Plan indicates that Pit 1 will be expanded, then partially reclaimed as mining takes place in Pit 2, but there is no time projection for the completion of the concurrent reclamation. By phasing your operation and reducing your total unreclaimed acreage through concurrent reclamation, your reclamation bond can be phased and increased over

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DIV. OF OIL, GAS & MINING

time, rather than having to reflect the cost of reclaiming the entire 132 acres many years before you actually incur that liability.

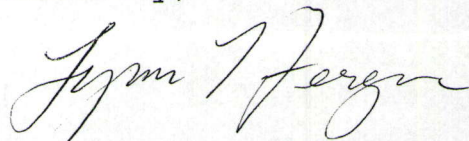
Before we can approve your Plan, we must prepare an Environmental Assessment (EA) to determine impacts and develop mitigating measures. Mitigating measures are expected to carry through the mine life, however, on page 110-2 of your Plan, you state:

"It is certain that many technical, economic and political changes will occur between now and the time when reclamation begins; therefore Ash Grove retains the right to negotiate changes in the plan prior to reclamation to incorporate new technology or to avoid unreasonable economic burden."

This is a reasonable position for Ash Grove to take, however, please be aware that any substantive changes in the mine/reclamation plan will require a new EA to be prepared, and may result in new mitigating measures being developed. This is why we are emphasizing the development of the Plan over the next 20 years, since it is likely that by that time the EA will be outdated.

Please submit the requested information as soon as possible, since it will take at least 60 days from our receipt of your complete Plan to complete the EA. If you have any questions, please feel free to contact Sheri Wysong at (435) 743-3124.

Sincerely,



ACTING Rex Rowley
Field Office Manager

cc: Tom Munson, UDOGM (M/023/012)